

AMENDED IN ASSEMBLY MARCH 18, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 2242

Introduced by Assembly Member Lopez

February 18, 2016

An act to amend Section ~~33004~~ 47604 of the Education Code, relating to elementary and secondary education: *charter schools*.

LEGISLATIVE COUNSEL'S DIGEST

AB 2242, as amended, Lopez. ~~Superintendent of Public Instruction: duties.~~—*Charter schools: operation: nonprofit public benefit corporations: for-profit corporations.*

The Charter Schools Act of 1992 specifies the procedures for the submission, review, and approval or denial of a petition to establish a charter school. The act authorizes a charter school to elect to operate as, or be operated by, a nonprofit public benefit corporation, formed and organized pursuant to the Nonprofit Public Benefit Corporation Law.

This bill would, notwithstanding any other law, prohibit a nonprofit public benefit corporation that operates, or operates as, a charter school from (1) operating or organizing in any manner inconsistent with the accountability requirements that all charter schools owe the public, (2) having members, (3) being a subsidiary of any other corporation, or (4) being affiliated with another corporation or equivalent legal entity that has the power to control, or otherwise exert control over, either directly or indirectly, the decision making or governance of the charter school. The bill would also prohibit a charter school from operating as, or being operated by, a for-profit corporation.

~~Existing law establishes the State Board of Education in the state government. Existing law provides that the Superintendent of Public Instruction shall be secretary and shall act as executive officer of the board.~~

~~This bill would make a nonsubstantive change to these provisions.~~

Vote: majority. Appropriation: no. Fiscal committee: no.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 47604 of the Education Code is amended*
2 *to read:*

3 47604. (a) ~~Charter schools-~~(1) A charter school may elect to
4 operate as, or be operated by, a nonprofit public benefit corporation,
5 formed and organized pursuant to the Nonprofit Public Benefit
6 Corporation Law (Part 2 (commencing with Section 5110) of
7 Division 2 of Title 4) 1 of the Corporations Code).

8 (2) *Notwithstanding any other law, a nonprofit public benefit*
9 *corporation that operates as, or operates, a charter school, shall*
10 *not do any of the following:*

11 (A) *Operate or organize in any manner inconsistent with the*
12 *accountability requirements that all charter schools, including*
13 *those operating as, or that are operated by, a nonprofit public*
14 *benefit corporation, owe to the public.*

15 (B) *Have members, as defined in Section 5056 of the*
16 *Corporations Code.*

17 (C) *Be a subsidiary of any other corporation.*

18 (D) *Be affiliated with another corporation or equivalent legal*
19 *entity that has the power to control, or otherwise exert control*
20 *over, either directly or indirectly, the decision making or*
21 *governance of the charter school, including, but not limited to,*
22 *fiscal, operational, and educational decisions.*

23 (b) ~~The governing board of a school district-~~An authority that
24 grants a charter for the establishment of a charter school formed
25 and organized pursuant to this section shall be entitled to a single
26 representative on the board of directors of the nonprofit public
27 benefit corporation.

28 (c) An authority that grants a charter to a charter school to be
29 operated by, or as, a nonprofit public benefit corporation is not
30 liable for the debts or obligations of the charter school, or for

1 claims arising from the performance of acts, errors, or omissions
2 by the charter school, if the authority has complied with all
3 oversight responsibilities required by law, including, but not limited
4 to, those required by Section 47604.32 and subdivision (m) of
5 Section 47605.

6 *(d) A charter school shall not be operated as, or be operated*
7 *by, a for-profit corporation.*

8 ~~SECTION 1.— Section 33004 of the Education Code is amended~~
9 ~~to read:~~

10 ~~33004.— The Superintendent of Public Instruction shall be~~
11 ~~secretary and shall act as executive officer of the board. He or she~~
12 ~~shall have charge of all its correspondence and shall keep a record~~
13 ~~of its proceedings.~~